

10 CRITICAL FACTORS BEHIND SUCCESSFUL E-BUSINESS IMPLEMENTATIONS

Implementing an e-Business solution is a very complex process that requires defining and negotiating processes that cut across organizational boundaries, implementing new functionality, leveraging existing system investments, and automating and integrating processes. And that's just the beginning. Success depends on getting a number of things right. Here is a brief summary of 10 critical factors that will determine the success of your e-Business implementation.

1. Demonstrate Executive Leadership.

Senior management must be heavily involved in the development of the company's e-business direction right from the start. Many organizations have appointed "e-business evangelists" or "e-business" czars to drive the overall e-business strategy for the company. However, the more e-business is integral to the overall success of the company, the more top management needs to own and drive the strategy. Top management must clearly articulate goals and direction throughout the organization. This is especially true when e-business introduces change within the corporation.

2. Tie e-Business Strategy to the Business Plan.

Because e-business is integral to the success of the organization as a whole, e-business initiatives must be well integrated with the overall business strategy. Business requirements should define e-business initiatives. Each e-business initiative should be the direct result of a compelling business case developed via standardized process. The concepts of good business strategy planning also apply to e-business.

3. Cultivate an e-Business Culture.

Many organizations have reported that cultural change is one of the top challenges in moving to an e-business. That is because e-business changes the way an organization does business, and this impacts the way people do their jobs. It is important to evaluate the impact of e-business initiatives on employees. Successful organizations put a process or intranet in place to share what worked and what didn't. The organizational structure must support cross-functional processes. Successful organizations continuously rotate their best employees to new areas of e-business to disseminate best practices across the organization.

4. Execute e-Business Strategies Rapidly.

Organizations must be able to respond rapidly to market changes, emerging opportunities, and competitive threats. This requires agile organizational processes, including the ability to form and dissolve relationships quickly and effectively.

5. Implement New Business Solutions Quickly.

This requires an adaptive application architecture that maximizes reuse. Organizations must be able to leverage the functionality in existing IT systems and integrate it with the new functionality. A service-based, component-oriented application architecture is considered the most flexible.

6. Integrate the Technical Infrastructure.

e-Business is defined by processes that include customers, employees, suppliers, and partners. This is called business integration and is required for e-business success. To enable business integration, the technical infrastructure must integrate applications within an organization, across geographic boundaries, and between and among businesses. Legacy integration is both a necessity and a difficult challenge. While they carry a high price tag, enterprise application integration (EAI) frameworks that have extended B2B capabilities make this transition much easier and faster than before and can be well worth the investment.

7. Provide Access to Comprehensive Information.

To enable rapid response to changing market conditions, competitive threats, and emerging opportunities, employees need ubiquitous access to business-critical information, including integrated customer information. Because e-business processes involve customers, suppliers, and partners, all constituents need access to comprehensive information. Integrated customer information at all touch points, including on the Web, on the phone, or in a store, has become a necessity.

8. Develop Crucial Skill Sets.

Many organizations have reported that the difficulties in finding the skill sets necessary to implement e-business solutions are an impediment to success. Because e-business crosses so many systems, it requires multiple skills. These include business process modeling, functional design of business services, user interface design, HTML, XML, Java, ActiveX or CORBA programming, database programming, and integration middleware. Demand for these skill sets is high, and availability is scarce. In addition to consultants and systems integrators, organizations can market new e-business career opportunities to universities, online communities, and graduate schools. By aggressively managing the career development of the players, organizations will be successful in retaining their Internet teams.

9. Measure Success.

Successful organizations measure how e-business initiatives contribute to the overall success of the organization. This requires feedback and analysis of business performance. Organizations should focus on processes and initiatives that create differentiation and competitive advantage.

10. Refine and Reinvent.

The biggest challenge of e-business is that it is not an end point. An organization must continually reinvent itself to stay competitive. This requires ongoing evaluation of what business services and products to offer, as well as which partnerships to pursue. The most successful companies cannibalize their own products before someone else does in order to continuously raise the bar of competition. To do all of this successfully, organizations must have in-depth knowledge of both their customers and their competition. To be successful in e-business, organizations must maintain an outward focus, and they cannot afford to become complacent.